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Draft country programme document for Poland (2004-2005)

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I. Situation analysis

1. Agreement on Poland's accession to the European Union (EU) in 2004 confirms the country's rapid transformation into a democracy governed by the rule of law, with an expanded market economy, functioning governance institutions, and most of the features expected of a modern state. From being a net recipient country, Poland is gradually becoming a donor, with special focus on countries to the east.

2. Nevertheless, many challenges remain. Despite the modernization of legislation and institutions, skills and practices lag and progress has exacerbated disparities. While administrative capacity has improved, EU membership calls for further development of the skills necessary to make full and proper use of structural and cohesion funds after accession (www.europa.eu.int). Civil society is still weak and its influence on policy making relatively small. Recently, serious economic challenges have returned, including a high Government deficit, high interest rates, and reduced investment. Growth has slowed, productivity remains low, particularly in the agriculture sector, and industrial restructuring has made many workers redundant. Unemployment has risen to 18.6 per cent, affecting mainly youth and women. Regional disparities are growing, with rural incomes only 31 per cent of the national average.

3. These challenges are greatest along the northeastern and eastern borders, i.e. with Russia (Kaliningrad), Lithuania, Belarus and Ukraine.

4. Poland is gradually expanding its role as a donor, has adopted financial targets to increase its Official Development Assistance (ODA), and is formulating a comprehensive policy on ODA. However, Poland has relatively little experience of implementing such a policy and of managing major development programmes and projects. There are few public institutions and non-governmental organizations (NGOs) involved with development issues, and public support for an increase in ODA is low.

5. The EU has recognized Poland's capacity gaps and has made provision for further transitional measures through 2004-2006. The United Nations Development Programme's (UNDP) current commitment to Poland is also along these lines. Its proposed country programme 2004-2005 supports the Government's efforts to address the challenges in the immediate post-accession period, especially the challenges along and across the new borders of the EU. Additionally, UNDP will assist the Government in implementing its growing role as a donor.

II. Past cooperation and lessons learned

6. The 2001-2003 country programme focused on assisting Poland towards EU accession in areas where development needs coincided with UNDP's strengths and practice areas. Due to growing regional disparities, in 2001 the Government requested UNDP to focus on the poorest rural regions of eastern Poland bordering the Russian Federation (Kaliningrad), Lithuania, Belarus and Ukraine. The East-East cooperation and cross-border dimensions were strengthened in virtually all UNDP activities. In the field of governance, the success of Total Quality Management, a model widely used in the EU for increasing effectiveness of the public sector, created significant demand for advisory services from sectoral ministries/local Governments (www.umbrella.org.pl). The Local Sustainable Development interventions have changed the way local Governments interact with communities and civil society, resulting in more inclusive and sustainable policy-making. UNDP helped keep HIV/AIDS infection rates low by helping develop strategies to curb HIV epidemics. Attempts to strengthen inter-sectoral cooperation at the national level were less successful, but the decentralization reforms allowed more progress at the local level. UNDP successfully launched the Global Compact initiative, by building a new partnership with the private sector to promote corporate social responsibility. New partnerships were also forged with employers' organizations, trade unions and the Government to strengthen the tripartite system of social dialogue.

7. In the field of environment, the success of the Small Grants Programme (SGP) led to larger scale projects in biodiversity and climate change, which attracted significant resources from the Global Environment Facility (GEF) (www.gef.undp.org.pl). Delivery was affected by the relatively low capacity at the local level for implementing large infrastructure projects, causing delays in meeting GEF/UNDP project pre-requisites. These problems have since been overcome. The programme has created a better understanding of the global dimensions of biodiversity and climate change.

III. Proposed programme

8. This draft country programme document has been developed in consultation with central and local Government partners, civil society organizations, the United Nations country team, the European Commission and bilateral donors. The national frameworks of the country programme are the National Development Plan 2004-2006 (www.mg.gov.pl), and the Joint Inclusion Memorandum (both prepared by Government to meet EU accession requirements), the Government's policy on relations with countries to the east (www.msz.gov.pl/start.php), the Government's draft ODA policy, the EU's policies on ODA and cross-border collaboration (http://www.europa.eu.int/rapid/start/cgi/guesten.ksh DN Speech/03/186 and DN:IP/01/166). The common country assessment (CCA) provides the basis for the United Nations system's strategy in Poland. (Due to the limited number of United Nations programmes in Poland, a United Nations Development Assistance Framework was not produced).

9. The overall goals of the programme are: (i) to support the successful completion of Poland's integration into the EU, and to contribute to the achievement of Poland's millennium development goals (MDGs), especially along the new borders of the EU in the northeast and east of Poland; (ii) to support the process of strengthening links between communities across the new EU borders (cross-border cooperation); and (iii) to support the development of Poland as a development partner. The focus of the programme will be to strengthen the capacities of local and regional authorities, particularly in the northeastern and eastern regions of Poland, to effectively access and absorb EU structural and cohesion funds following accession in 2004, so that these areas can access EU structural funds without assistance in future. The focusing of initiatives in the northeast and east will also provide the basis for cross-border cooperation with the Poland's non-EU neighbours.

10. In view of Poland's accession to the EU, UNDP's core assistance to Poland will be phased out by the end of 2005. This final phase of full UNDP representation and presence in Poland will be used to transform the relationship into one whereby UNDP will, in the context of East-East cooperation and Poland's expanding role as a donor, increasingly draw on Poland's extensive experience in transition issues in such areas as democratic governance, investment promotion and environmental management, as well as in curbing the HIV epidemic.

11. Poland's country programme is constituted of three components. These three components are (i) *social inclusion through improved governance*; (ii) *ensuring environmental sustainability; and (iii) Poland as a development partner.* The governance and environment components of the programme will be focused to the extent possible on the disadvantaged areas adjacent to the new borders of the EU (northeast and east of Poland). This is in line with national and EU policies to reduce geographical and social disparities within member states and across EU borders.

12. The programme on *social inclusion through improved governance* will focus on building the capacity of disadvantaged *poviats* (districts) adjacent to the new border of the EU, to access EU structural funds for sustainable human development. The programme will help local administrations develop and implement sustainable development strategies, using the proven Agenda 21 Audit tool to build public-private partnerships including civil society and NGOs, as advocated by the 2002 World Summit for Sustainable Development. Special emphasis will be placed on connecting strategic objectives with concrete action plans, management procedures and available resources. The programme will continue to strengthen the administrative capacity of local administrations, including the police, through demonstrating and applying appropriate existing quality management models. A quality management model will also be deployed to support small and medium enterprises (SMEs), where the main challenge is to increase the competitiveness and quality of products and services. The governance programme will contribute to strengthening public accountability, transparency and administration at local levels in the use of EU structural and cohesion funds. Experiences will be shared with neighbouring countries to strengthen cross-border and East-East cooperation.

13. To help as many *poviats* in these areas as possible to access and absorb EU structural funds, the programme will also develop internet-based distance learning programmes accessible to Government and NGO managers. Distance learning will also be extended to Ukraine and potentially to other Commonwealth of Independent States (CIS) countries. All programme partners will be encouraged to develop "e-governance" portals for public access to information and transactions. UNDP efforts will contribute to combating the emergence of a "digital divide", and complement EU and World Bank support for the creation of a knowledge-based economy.

14. This programme will also address poverty-related issues within the context of social inclusion, in line with the social policy component of the EU's "Lisbon strategy" on social and employment issues. (http://europa.eu.int/comm/employment_social/index_en.htm). The programme will stimulate debate on social exclusion and promote awareness of the remaining significant human rights issues. The programme will support activities to combat discrimination against HIV-infected persons, promote prevention campaigns by NGOs, develop capacity of local administrations to respond to the threat of HIV, and foster efforts for greater inter-ministerial cooperation. In addition, under the leadership of UNDP Resident Representative/United Nations Resident Coordinator, the programme will encourage closer collaboration among the United Nations country team to build greater national capacity for participation in global conferences and conventions. Measures to combat violence against women and trafficking of women will be undertaken, by supporting NGOs and Government bodies in the fields of public awareness creation, legal reform, implementation of the law and policy formulation. These two issues will be used as entry points for stimulating broader discussion on social attitudes to gender. The programme will provide advocacy in support of the work of the United Nations Population Fund (UNFPA) in the fields of reproductive health and demographic policy. It will also stimulate public debate on the situation of vulnerable groups, including Roma, immigrants and the elderly. In support of the Global Compact initiative, the programme will continue to promote corporate social responsibility and public-private partnerships to address issues of governance, environment and social exclusion.

15. The second component of the country programme, that on *ensuring environmental sustainability*, is funded totally by the GEF and will focus on protecting biodiversity and combating climate change. It will be implemented by local communities, NGOs, local administrations and the corporate sector. Priority for new projects will be given to the *poviats* adjacent to the new borders of the EU, in close consultation with the governance programme. The programme will also raise public awareness of environmental issues in border communities. Among projects approved or expected for implementation 2004-07, the component on climate change will demonstrate the use of alternative and renewable energy sources for heat and electricity production. The larger projects include improving bicycle road infrastructure in the city of Gdansk, promoting an integrated approach to burning wood waste for heat production and improving the efficiency of industrial electrical motors. Smaller community-based projects will focus on poorer communities to reduce fuel costs by demonstrating the use of solar energy and biomass. The component on biodiversity will demonstrate the protection of Barycz and Upper Narew valleys, through balanced socio-economic development and appropriate water management, and create a nationwide network of NGOs focusing on the protection of habitats of endangered species. Some projects will demonstrate best practices in reducing persistent organic pollutants, especially in the agriculture and health sectors. Apart from their direct ecological impact, all projects will be selected for their potential for replication, and will be designed to create a culture of local and community activism on environmental issues, and to engage civil society in environmental policy formulation. The GEF is expected to fund three to four medium and large projects, and around 15-25 small projects each year.

16. The third component of the country programme will directly address the eighth MDG (to "develop a global partnership for development"), by strengthening *Poland as a development partner*. UNDP will complement the assistance being provided by the Canadian Government by focusing on (i) the multilateral dimension and (ii) the engagement of civil society. The programme will assist the development of modalities of multilateral assistance through United Nations organizations, with special focus on countries of Central and Eastern Europe (CEE)/CIS, in cooperation with UNDP's Regional Support Centre (RSC) in Bratislava. UNDP will assist the Government in translating into national ODA priorities those development priorities adopted by the General Assembly and global conferences, and as indicated in United Nations Conventions, Protocols and Covenants. UNDP will also assist the Government in increasing its participation in Executive Boards and Special Committees of the United Nations. The programme will build Poland's capacity to influence the EU's development cooperation, especially with respect to CEE/CIS countries. The programme will help the existing development-related academic institutions, such as the Warsaw Institute of Development Studies and the Polish Academy of Diplomacy, in framing the curricula of development studies, and in the exchange of best development practices with leading development academic institutions in donor countries. UNDP will also support the placement of young Polish professionals in projects, in developing countries and in United Nations headquarters offices, through the United Nations Volunteers and Junior Professional Officer (JPO) programmes. The programme will assist

the Government and NGOs in stimulating a public constituency in favour of development assistance, and in encouraging a sense of responsibility among Polish citizens with respect to global development and Poland's ODA. The programme will also support the expansion of NGOs to address the continuum of needs, from humanitarian response to long term development. UNDP is willing to facilitate the development of an official or NGO-based Polish volunteer programme.

IV. Programme management, monitoring and evaluation

17. Given the availability of experienced and competent national expertise, all projects will be nationally executed, with predominant use of national consultants. If required, all projects will have access to technical backstopping and/or expertise from the United Nations system, UNDP's RSC in Bratislava, the EU and international organizations. To ensure transparency, accountability and national ownership, Executive Boards will be established for all major projects. Cooperation with the private sector will be monitored through the Global Compact Steering Committee. The UNDP office in Poland will continue to manage and implement UNDP inputs to the programme.

18. An annual evaluation plan will be prepared at the beginning of each year. A biannual MDG report will also be prepared, which will contain the progress of projects measured against quantifiable targets. All projects will be monitored via UNDP's regular monitoring and evaluation mechanism by UNDP Poland staff, assisted by staff of UNDP's RSC in Bratislava. To ensure accountability, transparency and national ownership, a country programme committee (CPC) composed of key Government partners and UNDP will provide strategic oversight and joint management of the programme. The CPC will include, as members or observers, representatives of central and local Governments, donors, international organizations and civil society, including representatives from disadvantaged areas and vulnerable groups.

19. The CPC will jointly review the programme at mid-term, i.e. at the end of 2004, using available and proven national monitoring and evaluation expertise, including the Central Statistical Office.

20. The resource mobilization strategy is geared toward strengthening partnerships and co-financing with the Government. UNDP, based on its comparative advantages and good track record in capacity building, can assist national authorities in programming and disbursing budgetary resources placed at their disposal following accession. By providing support services to national implementing agencies, UNDP will help raise their efficiency in using EU structural, cohesion and other funds, made available during the 2004-2005 transition period to implement the National Development Plan and the Joint Inclusion Memorandum. Mobilizing national resources for development is an integral part of the country programme, with an annual target of $5 million. Government cost-sharing is expected to be the main source of funding when utilizing funds originating from the EU. In 2004-5 Poland will continue to qualify for UNDP's resource assignment from the core (TRAC) funds estimated at $0.3 million annually. The programmes will also draw on residual funding from United Nations and bilateral sources. Most of the funds for the environment programme are already approved by the GEF ($6.5 million approved, $1.7 million under active consideration, plus a yearly average of $0.5 million of small grants), and it is expected that further funding will be secured. Non-EU bilateral donors will be approached for support on specific components of the programme, especially following the tri-lateral cooperation modality with border countries or countries further east. One result of the new partnership with the private sector on corporate social responsibility is the increased opportunity to attract funding, especially as companies are increasingly realizing that social progress is a necessary condition for the economic growth necessary for the success of their business. Additional funds will be solicited from issue-specific international NGOs and trust funds.

21. In addition to resources passing through UNDP, the programme will "broker" a greater volume of resources which will flow directly from other funding sources to the benefiting partners.

22. UNDP operational costs are expected to be further reduced by the electronic consolidation of certain routine transactions in UNDP's RSC in Bratislava, enabling some staff reduction in Warsaw. The Government is expected to meet all the local costs of the UNDP office (GLOC).

Annex: Results and resources framework for Poland (2004-2005)

Strategic support areas	*Intended outcomes*	*Indicators of outcome or purpose*	*Outputs, including key output indicators, where needed*	*Resources (in thousands of United States dollars)*
Strategic objective 1 **Strengthening social inclusion through improved governance** **G1, SG4, SAS1** **Efficiency and accountability of the civil service**	**Improved administrative capacity of the public sector, particularly in the area of EU funds utilization**	**1) Number of public sector organizations with certified management systems. Baseline 60 in 2002, target 150 for 2005** **2) Number of applications for EU funds meeting formal requirements. Baseline 50% in 2002, target 85% in 2005.**	**1) 50 public sector organizations with modern management systems** **2) 2,000 public administration professionals trained in formulation and management of EU funded projects** **3) 5,000 hits per month on public administration best management practices web site**	**TRAC: 200** **GCS: 1,100** **TPCS: 500** **F/TF : 200**
G1, SG3, SAS3 **Local strategies for sustainable development**	**Sustainable development strategies implemented in cross-sector partnerships and effectively managed according to EU standards**	**1) Local development strategies implemented in line with Local Agenda 21 recommendations** **2) Local leaders trained in managing sustainable development according to EU standards** **3) Local communities participating in exchange of good practices on electronic platform**	**1) 50 sustainable development strategies implemented in cross-sector partnerships** **2) 150 local partnership coordinators trained** **3) 1000 local leaders trained** **4) 50 local communities participating in exchange of good practices on an electronic platform**	**TRAC: 200** **GCS: 1,300** **TPCS: 500**
SGN2, SAS1, SAS2 **Support implementation and monitoring of Joint Inclusion Memorandum (National Strategy for Counteracting Social Exclusion)**	**Strengthened capacities of government, NGOs/civil society organizations (CSOs) and private sector to address social exclusion in partnership**	**1) Multisectoral network of NGOs/CSOs, business, government engaged in dialogue on social exclusion issues** **2) Broadened understanding of Poland's contribution to achieving the Lisbon strategy overall objective** **3) Cross-sector partnerships at the local level addressing local development problems** **4) Improved situation of women on the labour market** **5) Parliamentary representation of women increased to 30%** **6) Local level mechanisms to prevent trafficking and violence against women** **7) New HIV/AIDS infections kept under 600 cases annually** **8) Public awareness on human rights of People Living with HIV and AIDS (PLWHA) improved significantly** **9) Harm reduction programmes further supported and developed**	**1) Broad based consultations on the Lisbon strategy conducted to increase awareness and translate into local development action plans** **2) 2005 annual national human development report published on the national strategy and collective action required to achieve the Lisbon objective** **3) Public policy dialogue on the potential of public private partnership approach to advance sustainable development at the local level as recommended by the European Commission (EC)** **4) National campaign to change social attitudes towards gender: 24 workshops and conferences organized** **5) 800 police officers trained to recognize symptoms of violence against women** **6) Multistakeholder consultations organized to develop local mechanisms to contain violence against women** **7) Support to connect the local network NGOs combating violence against women and trafficking in women to regional networks operating in the EU** **8) 12 local authorities having HIV preventive programmes based on local strategies** **9) Conference in Parliament on human rights of PLWHA and drug users followed by seminars in 3 smaller communities on the eastern border** **10) 11 harm reduction projects supported, 4 new ones developed**	**TRAC: 100** **GCS: 100** **TPCS: 150** **F/TF: 50** **Abbreviations:** **TRAC - Target for resource assignment from the core** **GCS - Government cost-sharing** **TCPS - Third-party cost-sharing** **F/TF - Funds/Trust funds**

Strategic objective II **Ensure environmental sustainability** **G3, SG 2, SAS 1** **Regional cooperation and coordination in natural resources management and sustainable development**	**Improved measures to combat climate change and protect biodiversity through increased involvement of local governments, civil society, NGOs and corporate sector**	**National indicators:** **Share of renewable energy in total country consumption 6.5% by 2010 and 12% by 2020 - baseline 1.5% 2003*** **Poland has committed to 8% green house gas (GHG) emission reduction target (under Kyoto Protocol) by 2010 -baseline 1.7 tonnes CO_2 released per $1,000 of gross domestic product (GDP)** **Integrated approach to ecosystems management incorporated into National Policy (National Biodiversity Strategy and Action Plan adopted)** ** timeframe for outcomes go beyond 2005 due to GEF funding beyond 2005 and long term impact of environmental measures.*	**1) Inter-municipal public-private partnership established to demonstrate biomass utilization for heat production. Annual use of wood waste biomass - baseline 0 tonnes 2003, target 4,000 tonnes 2008** **2) 30 km of bicycle roads built with $1.5m provided by the city of Gdansk and in consultation with the civil society consultative team. Share of journeys by bicycle in all travel - baseline 1.5% 2003, target 5-10% 2008** **3) Increased sales of energy efficient electric motors. Market share of energy efficient electric motors sales - baseline 0% in 2003, target 15% by 2008** **4) Capacity built at the local level for sound environmental management in line with the EU requirements. Good practices demonstrated on biodiversity and agro-biodiversity protection. (target: 2 big and 10 small models for ecosystems management)** **5) 30-50 projects supported by Small Grants Programme (50% biodiversity, 50% climate change)** **6) EU funds absorption capacity increased through project replication and good practices application. (target: 5 additional biomass utilization projects and 3 for cycling infrastructure)**	**F/TF (GEF)** **2,400 Full size** **1,600 Medium size** **1,400 Small Grants Programme** **(Hard pipeline: 1,000 Medium size)**
Strategic objective III **Support to Poland as a development partner** **National capacity for development cooperation**	**Strategy/mechanisms developed and implemented for Poland's ODA, with focus on multilateral assistance** **Capacity of Polish NGOs, business sector and Government enhanced for development cooperation** **Increased public constituency in favour of Poland's ODA**	**1) Multilateral component of Poland's ODA strategy developed** **2) Integrated EU ODA policy to CEE/CIS in response to Poland's post-enlargement advocacy** **3) Active multisectoral network of organizations cooperating on development issues with CEE/CIS.** **4) JPO programme for Polish young professionals launched** **5) Poland's ODA 0.1% GDP 2006 - baseline 0.02% 2003**	**1) Poland's multilateral ODA strategy consulted with NGOs, academics, EU, international organizations/ business sector** **2) Cooperation mechanisms, including codification of knowledge and expert network, developed to further East–East cooperation** **3) Facilitating national discussions and multistakeholders consultations on the role of Poland in developing and providing its ODA** **4) Providing assistance to the Polish government in organizing discussions with participation of EU member states on the role of EU in ODA towards the CEE/CIS** **5) Consultations with government, including staff training, on establishment of JPO Programme for young professionals.** **Curricula of development-related departments of academic institutions updated in line with best practices**	**TRAC: 138** **GCS: 200** **TPCS: 200**
			Totals **Grand total**	**TRAC line 1.1.1 638** **GCS 2,700** **TPCS 1,350** **F/TF 5,650** **10,338**